AMENDED IN SENATE JULY 8, 1996 AMENDED IN ASSEMBLY APRIL 8, 1996

CALIFORNIA LEGISLATURE-1995-96 REGULAR SESSION

ASSEMBLY BILL

No. 3003

Introduced by Assembly Member Pringle

February 23, 1996

An act to amend Sections 11110 and 12507.1, and 15250 of, and to add Section 12507.2 to, of the Vehicle Code, relating to vehicles.

LEGISLATIVE COUNSEL'S DIGEST

AB 3003, as amended, Pringle. Driver's license test: pilot program.

(1)—Under an existing pilot program in effect only until January 1, 1998, the behind-the-wheel driving test portion of the examination for a provisional driver's license is permitted to be administered by a driving school, under a specified agreement with the Department of Motor Vehicles, to persons 16 years of age or older, but less than 18 years of age, under specified conditions.

The bill would extend that pilot program to January 1, 1999.

The bill would, as to that pilot program, delete a provision requiring a departmental hearing for a cancelation, suspension, or revocation of the authorization for a driving school to conduct the behind-the-wheel driving test. The bill would also delete a provision specifying that an action to appeal or review the department's action to cancel, suspend,

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or repeal the specified authorization is required to be brought in a court of competent jurisdiction within a specified period.

The bill would authorize the Director of Motor Vehicles to establish a program for third party testers, including driving schools, employers of the drivers being tested, and educational institutions, to administer behind-the-wheel driving tests. The bill would authorize the department to limit the persons eligible for testing under the program, to retest any person who has passed the examination given under the program, and to charge a fee for conducting the program. The bill would authorize the director to terminate the program under specified conditions.

(2) Existing law authorizes the department to allow a third party who is an employer to administer the driving test part of a specified examination for an endorsement to drive a commercial motor vehicle, if certain conditions are met.

This bill would delete the requirement that the third party be an employer.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- SECTION 1. Section 11110 of the Vehicle Code, as 1 amended by Section 1 of Chapter 699 of the Statutes of 3 1994, is amended to read:
- 11110. The department, after notice and hearing, may 4 5 suspend or revoke any license issued under this chapter in any of the following cases:
- department finds and determines that (a) The licensee fails to meet the requirements to receive or hold a license under this chapter. 9
- (b) The licensee fails to keep the records required by 10 this chapter. 11
- 12 (c) The licensee permits engages fraud or in 13 fraudulent practices either with reference the 14 applicant for a driver's license or an all-terrain vehicle the department, 15 safety certificate or or induces
- countenances fraud or fraudulent practices on the part of
- 17 any applicant.

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(d) The licensee fails to comply with this chapter or regulation or requirement of the department adopted pursuant thereto.

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- (e) The licensee represents himself or herself as an agent or employee of the department or uses advertising designed to create the impression, or which would reasonably have the effect of leading persons to believe, licensee was in fact an employee representative of the department; or the licensee makes an advertisement, in any manner or by any means, which is untrue or misleading and which is known, or which by the exercise of reasonable care should be known, to be untrue or misleading.
- (f) The licensee, or any employee or agent of the driver training or instruction 15 licensee. solicits all-terrain vehicle safety instruction in, or within 200 feet of, an office of the department.
- (g) The licensee is convicted of violating Section 19 14606, 20001, 20002, 20003, 20004, 20006, 20008, 23103, 20 23104, 23152, or 23153 of this code or subdivision (c) of Section 192 of the Penal Code. A conviction, after a plea of nolo contendere, is a conviction within the meaning of this section.
 - (h) The licensee teaches, or permits a student to be taught, the specific tests administered by the department through use of the department's forms or testing facilities.
 - (i) The licensee conducts training, or permits training by any employee, in an unsafe manner or contrary to safe driving practices.
 - (j) The licensed school owner or licensed driving school operator teaches, or permits an employee to teach, driving instruction or all-terrain vehicle safety instruction without a valid instructor's license.
 - (k) The licensed school owner does not have in effect a bond as required by Section 11102.
- (1) The licensee permits the use of the license by any other person for the purpose of permitting that person to engage in the ownership or operation of a school or in the giving of driving instruction or all-terrain vehicle safety 40 instruction for compensation.

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holds (m) The licensee a secondary teaching credential and explicitly or implicitly recruits or attempts to recruit a pupil who is enrolled in a junior or senior high school to be a customer for any business licensed pursuant to this article that is owned by the licensee or for which the licensee is an employee.

- (n) The licensee or any employee or agent of the licensee administers driving tests or issues certificates of passage in violation of the terms of an agreement entered 10 into under Section 12507.1 or 12507.2.
- (o) This section shall remain in effect only until January 1, 1998 1999, and as of that date is repealed, unless 12 13 a later enacted statute, which is enacted on or before 14 January 1, 1998 1999, deletes or extends that date.
- SEC. 2. Section 11110 of the Vehicle Code, as added 16 by Section 2 of Chapter 699 of the Statutes of 1994, is 17 amended to read:
- 11110. The department, after notice and hearing, may 19 suspend or revoke any license issued under this chapter in any of the following cases:
- (a) The department finds and determines that the 22 licensee fails to meet the requirements to receive or hold a license under this chapter.
- (b) The licensee fails to keep the records required by 25 this chapter.
- (c) The licensee permits fraud or engages in 27 fraudulent practices either with reference the applicant for a driver's license or an all-terrain vehicle safety certificate or the department, or induces or countenances fraud or fraudulent practices on the part of any applicant.
 - (d) The licensee fails to comply with this chapter or regulation or requirement of the department adopted pursuant thereto.
- (e) The licensee represents himself or herself as an 36 agent or employee of the department or uses advertising designed to create the impression, or which would 38 reasonably have the effect of leading persons to believe, licensee was in fact an employee representative of the department; or the licensee makes

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an advertisement, in any manner or by any means, which is untrue or misleading and which is known, or which by the exercise of reasonable care should be known, to be untrue or misleading.

(f) The licensee, or any employee or agent of the licensee, solicits driver training or instruction all-terrain vehicle safety instruction in, or within 200 feet of, an office of the department.

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- (g) The licensee is convicted of violating Section 10 14606, 20001, 20002, 20003, 20004, 20006, 20008, 23103, 23104, 23152, or 23153 of this code or subdivision (c) of Section 192 of the Penal Code. A conviction, after a plea of nolo contendere, is a conviction within the meaning of this section.
- (h) The licensee teaches, or permits a student to be 16 taught, the specific tests administered by the department through use of the department's forms or testing facilities.
 - (i) The licensee conducts training, or permits training by any employee, in an unsafe manner or contrary to safe driving practices.
 - (j) The licensed school owner or licensed driving school operator teaches, or permits an employee to teach, driving instruction or all-terrain vehicle safety instruction without a valid instructor's license.
 - (k) The licensed school owner does not have in effect a bond as required by Section 11102.
 - (1) The licensee permits the use of the license by any other person for the purpose of permitting that person to engage in the ownership or operation of a school or in the giving of driving instruction or all-terrain vehicle safety instruction for compensation.
- (m) The secondary licensee holds a teaching credential and explicitly or implicitly recruits or attempts to recruit a pupil who is enrolled in a junior or senior high school to be a customer for any business licensed pursuant 36 to this article that is owned by the licensee or for which the licensee is an employee.
- (n) The licensee or any employee or agent of the 38 licensee administers driving tests or issues certificates of

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passage in violation of the terms of an agreement entered into under Section 12507.2.

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- 4 (m) This section shall become operative on January 1, 5 1998 1999.
 - SEC. 3. Section 12507.1 of the Vehicle Code is amended to read:
- 12507.1. (a) (1) In enacting this section, it is the intent of the Legislature to implement a pilot program to 10 study the safety and fiscal effects of allowing certain driving schools to conduct the provisional driver's license 12 behind-the-wheel driving test.
- (2) The adoption of departmental regulations. 14 training of driving school instructors, and all other 15 functions necessary to prepare for the implementation of 16 the pilot program shall be performed by the department commencing on January 1, 1995.
- (b) Commencing on January 1, 1996, the department 19 may allow a driving school that has operated for at least 20 two years in compliance with Chapter 1 (commencing 21 with Section 11100) of Division 5 to administer the 22 behind-the-wheel driving test portion of the examination 23 required by subparagraph (D) of paragraph (1) 24 subdivision (a) of Section 12804.9 for a provisional driver's 25 license for any person who is 16 years of age or older, but 26 who is less than 18 years of age, if all of the following conditions apply:
- 28 (1) The applicant has complied with the requirements 29 of Section 12507.
 - (2) The tests given by the driving school are the same as those that would otherwise be given department.
- (3) The driving school enters into an agreement with 34 the department containing, but not limited to, all of the following provisions:
- 36 (A) The department shall annually conduct onsite inspections of the testing operations, or more often as the 37 department determines to be necessary. 38
- (B) All driving school examiners shall meet all of the 39 following qualifications: 40

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(i) Have at least 500 hours of instructional experience 1 as a driving school instructor.

(ii) Be at least 25 years of age.

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- same qualification and (iii) Have the training standards as the department's examiners, to the extent necessary to conduct the driving tests in compliance with department standards.
- (C) No driving school examiner shall be qualified to administer behind-the-wheel test where 10 individual to be tested has been previously instructed by that examiner in the operation of a vehicle.
- (D) No driving school or driving school instructor shall 13 condition the payment of a fee to the school by an applicant for receiving instruction in the operation of a vehicle or the administration of the behind-the-wheel 16 driving test, or both, upon the passage or failure of the 17 behind-the-wheel driving test.
- (E) The driving school requires written assurances 19 from an applicant's parent or guardian that the parent or guardian assumes liability for the applicant during the driving test.
- (F) The department may cancel, suspend, or revoke 23 the agreement with the driving school, upon giving 15 days' prior written notice of the proposed action to the driving school, if the department determines that the driving school is failing to comply with the standards for the behind-the-wheel driving test or with any other term of the agreement.
- (4) A driving school that has had its agreement 30 canceled, suspended, or revoked order of the by department may not administer behind-the-wheel a driving test during the period that the order is in effect.
- (5) (A) Any driving school that has had its agreement 34 canceled pursuant to subparagraph (F) of paragraph (3) may apply for a new agreement at any time.
- (B) The suspension of an agreement pursuant 37 subparagraph (F) of paragraph (3) shall be for a term of not more than 12 months, as determined by department in accordance with regulations adopted by the department. After the period of suspension

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expired, the agreement shall be reinstated upon request of the driving school if the driving school is in compliance with this section.

- (C) (i) The revocation of an agreement pursuant to subparagraph (F) of paragraph (3) shall be for a term of not less than one year. A driving school may apply for a agreement after the period of revocation has expired, upon submission of proof to the department of correction of the deficiencies or violations that resulted 10 in the revocation.
- (ii) The department may permanently revoke 12 agreement pursuant to subparagraph (F) of paragraph 13 (3) for repeated violations or repeated failures to comply 14 with any standard or provision of the agreement.
- (6) The department shall monitor the driving schools 16 and evaluate the benefits and effects on traffic safety of the driving school testing program. The department shall periodically choose at random and retest school-certified provisional license applicants for purposes of evaluating the program.
- (7) Any provisional driver's license applicant 22 takes and passes a driving test administered by a driving section school pursuant to this shall provide the department with a certificate satisfactory the department that the applicant has successfully passed the driving test.
- (8) The department shall charge a fee not to exceed 28 five dollars (\$5) for each certificate provided to the department by an applicant. The amount of the fee shall be sufficient to pay for the actual costs incurred by the department in connection with the monitoring of driving schools and retesting of license applicants pursuant to paragraph (6).
- (9) (A) This paragraph applies only to driving schools 35 that have administered both behind-the-wheel training and behind-the-wheel driving tests for at least 12 months.
 - (B) The department shall prohibit a driving school from continuing to administer behind-the-wheel driving tests if the department determines that the driving school behind-the-wheel has administered training

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behind-the-wheel driving tests to applicants, the majority of whom have subsequently been subject to any of the following provisions:

(i) Paragraph (5) of subdivision (a) of Section 12814.6.

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- Section 5 (ii) Paragraph (6) of subdivision (a) 6 12814.6.
- 7 (iii) Paragraph (7) of subdivision (a) of Section 8 12814.6.
- (10) The establishment of driving school 10 behind-the-wheel testing agreements may be implemented by the department on those dates that the department determines to be necessary to accomplish an orderly provisional driver's license testing program pursuant to this section.
- (11) During each year of the two years of the pilot 16 project authorized by this section, not more than 15,000 applicants for provisional driver's licenses may receive 18 the behind-the-wheel driving test at a driving school that meets the criteria specified in this section.
- (12) The department shall submit a report to the 21 Legislature on the progress of the driving school testing program authorized pursuant to this section within three 23 years after the date the program is implemented. The 24 report shall compare subsequent driving 25 including accidents, convictions, and failures to appear, 26 for provisional driver's license applicants who have been 27 tested by the driving schools and tested by 28 department. The report shall include, but shall not be limited to, an analysis of the costs and benefits of the 30 program and shall include recommendations department.
- (13) The director may terminate the driving school 33 testing program any time that the department at determines that continued operation of the program would have an adverse effect on traffic safety. The finding 36 upon which that determination is based shall be reported to the Legislature not later than 30 days after the termination of the program.
- 39 (c) This section shall remain in effect only until January 1, 1998 1999, and as of that date is repealed, unless

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1 a later enacted statute, which is enacted before January 2 1, 1998 1999, deletes or extends that date.

- 3 SEC. 4. Section 12507.2 is added to the Vehicle Code, 4 to read:
- 5 12507.2. (a) The director may establish a program to
 6 authorize third-party testers to administer
 7 behind-the-wheel driving tests under an agreement with
 8 the department.
 - (b) Third-party testers may include, but are not limited to, driving schools, employers of the drivers being tested, and educational institutions.
 - (c) The department shall adopt regulations to establish the criteria for participation, which may include instructor eligibility, training requirements, examiner qualifications, driving test elements, monitoring the driving schools, educational facilities and program, auditing the driving school and educational facility records, and any other required elements of the program.
 - (d) The department may limit the persons who may be tested by third-party testers eligible for third-party testing under conditions that are specified in the agreement.
 - (e) The department may retest any person who successfully passed an examination given by a third-party tester.
 - (f) The department may charge the third-party testers a fee sufficient to cover the costs of training third-party testers and monitoring and auditing the program.
 - (g) Any applicant who takes a driving test administered by a third-party tester pursuant to this section shall provide the department with a certificate satisfactory to the department that the applicant completed the driving test.
- 34 (h) The director may terminate the behind-the-wheel 35 driving test program at any time that the department 36 determines that continued operation of the program 37 would have an adverse effect on traffic safety.
- 38 SEC. 5. Section 15250 of the Vehicle Code is amended to read:

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15250. (a) No person shall operate a commercial motor vehicle unless that person has in his or her immediate possession a valid commercial driver's license of the appropriate class.

- (b) No person may be issued a commercial driver's license until he or she has passed a written and driving test for the operation of a commercial motor vehicle which complies with the minimum federal standards established by the federal Commercial Motor Vehicle Safety Act of 1986 (P.L. 99-570) and Part 383 of Title 49 of the Code of Federal Regulations, and has satisfied all other requirements of that act as well as any other requirements imposed by this code.
- (e) The tests shall be prescribed and conducted by or under the direction of the department. The department may allow a third party to administer the driving test part of the examination required under this section and Section 15275 if the following conditions are met:
- (1) The tests given by the third party are the same as those which would otherwise be given by the department.
- (2) The third party has an agreement with the department with at least the following provisions:
- (A) Authorization for the Federal Highway Administration, or its representative, and the department, or its representative, to conduct random examinations, inspections, and audits without prior notice.
- (B) Permission for the department, or its representative, to conduct onsite inspections at least annually.
- (C) A requirement that all third-party examiners meet the same qualification and training standards as the department's examiners, to the extent necessary to conduct the driving skill tests in compliance with the requirements of Part 383 of Title 49 of the Code of Federal Regulations.
- 38 (D) The department may cancel, suspend, or revoke 39 the agreement with a third-party tester if the third-party 40 tester fails to comply with the standards for the

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commercial driver's license testing program, or with any other term of the third-party agreement, upon 15 days prior written notice of the action to cancel, suspend, or revoke the agreement by the department to the third party. Any action to appeal or review any order of the department canceling, suspending, or revoking third-party testing agreement shall be brought in a court of competent jurisdiction under Section 1085 of the Code of Civil Procedure, or as otherwise permitted by the laws of this state. The action shall be commenced within 90 days from the effective date of the order.

- (E) Any third-party tester whose agreement has been canceled pursuant to subparagraph (D) may immediately apply for a third-party testing agreement.
- (F) A suspension of a third-party testing agreement pursuant to subparagraph (D) shall be for a term of less than 12 months as determined by the department. After the period of suspension, the agreement shall be reinstated upon request of the third-party tester.
- (G) A revocation of a third-party testing agreement pursuant to subparagraph (D) shall be for a term of not less than one year. A third-party tester may apply for a new third-party testing agreement after the period of revocation and upon submission of proof of correction of the circumstances causing the revocation.
- (H) Authorization for the department to charge the third party a fee, as determined by the department, which is sufficient to defray the actual costs incurred by the department for administering and evaluating the third-party testing program, and for carrying out any other activities deemed necessary by the department to ensure sufficient training for the drivers participating in the program.
- (3) Except as provided in Section 15250.3, the tests given by the third party shall not be accepted in lieu of tests prescribed and conducted by the department for applicants for a passenger vehicle endorsement specified in paragraph (2) of subdivision (a) of Section 15278, if the applicant operates or will operate a tour bus.

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(d) Commercial driver license applicants who take and pass driving tests administered by a third party shall provide the department with certificates of driving skill satisfactory to the department that the applicant has successfully passed the driving tests administered by the third party.

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(e) Implementation dates for the issuance of a commercial driver's license pursuant to this chapter may be established by the department as it determines is 10 necessary to accomplish an orderly commercial driver license program.